



## PUBLIC DISCLOSURE COMMISSION

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TO: Members, Public Disclosure Commission

FROM: Doug Ellis  
Director of Public Outreach

DATE: August 20, 2001

SUBJECT: Proposed Rule-Making Regarding Mini Reporting

The proposed Mini Reporting package relates to five existing rules and completes the process for eliminating Abbreviated reporting and raising the Mini reporting thresholds.

Four of the proposed rule amendments were adopted as emergency rules by the Commission on June 26, 2001. The proposed changes would repeal two rules, eliminate reference to PDC Form C-4abb, clarify the conditions for granting use of the new Mini reporting option, and change the title of the rule concerning reporting options.

- Amend **WAC 390-16-041 Forms – Summary of total contributions and expenditures.** This rule amendment would eliminate the form C4abb. The abbreviated reporting option is no longer available and the form is no longer needed. The amendment also includes the addition of a space for filers to indicate the date of election on the C-4 form.
- Amend **WAC 390-16-115 Abbreviated Campaign Reporting – Conditions for granting use.** This proposed amendment changes the title and incorporates parts of WAC 390-16-120 concerning the times and place for filing reports. This rule was adopted on an emergency basis at the June 26, 2001 Commission meeting.
- Repeal **WAC 390-16-120 Abbreviated Campaign reporting – Times and place for filing.** This rule is proposed for permanent repeal. The Commission adopted this repeal on an emergency basis at the June 26, 2001 meeting.

- Amend **WAC 390-16-125 Abbreviated Campaign Reporting – Exceeding limitations.** The proposed amendment changes the title from Abbreviated to Mini and clarifies the process by which a filer changes from Mini reporting to Full reporting. This rule was adopted on an emergency basis at the June 26, 2001 Commission meeting.
- Repeal **WAC 390-16-155 Mini Campaign Reporting – Exceeding limitations.** This rule is proposed for repeal. Amendments to WAC 390-16-105 and WAC 390-16-150 render this rule obsolete. The Commission adopted this repeal on an emergency basis at the June 26, 2001 meeting.

**Commission Action:** If approved, staff will file the CR 102 Proposed Rule-Making notice with the Code Reviser's Office on or before September 19, 2001. A public hearing will be scheduled for October 23, 2001 and, if adopted, the rules would become effective on January 1, 2002.

**AMENDATORY SECTION** (Amending WSR 99-22-082 filed 11/2/99)

**WAC 390-16-041 Forms--Summary of total contributions and expenditures.**

(1) The official form for reports of contributions and expenditures by candidates and political committees who use the "full" reporting option is designated "C-4", revised ~~((3/97))~~ 12/02, and includes Schedule A, revised 11/93, Schedule B, revised 11/93, Schedule C, revised 3/93, and Schedule L, revised 12/99.

(2) ~~((The official form for reports of contributions and expenditures by candidates and political committees who use the "abbreviated" reporting option is designated "C-4abb," revised 11/93.~~

~~((3))~~ Copies of these forms are available at the Commission Office, 711 Capitol Way, Room ~~((403))~~ 206, P. O. Box 40908, Olympia, Washington 98504-0908. Any attachments shall be on 8-1/2" x 11" white paper.

**AMENDATORY SECTION** (Amending WSR 89-20-068 filed 10/4/89)

**WAC 390-16-115 ~~((Abbreviated))~~ Mini campaign reporting--Conditions for granting use.** The exemptions allowed in WAC 390-16-105 shall be granted to a candidate or political committee, including a continuing political committee, only upon compliance with the following conditions.

(1) ~~((The))~~ A candidate ~~((or political committee must))~~ shall, within fourteen days of ~~((the time of organization, or of receipt of contributions or the making of expenditures, or of reservation of space or facilities with intent to promote or oppose a candidacy for office or with intent to promote or oppose a ballot proposition, whichever comes first, file the C-1 or C-1pe registration statement with the commission and the county elections office. The statement shall declare that the candidate or political committee will not exceed the expenditure limits set out in WAC 390-16-105.))~~ first

(a) receiving contributions, making expenditures, reserving space or facilities or purchasing commercial advertising space or broadcast time to promote his or her candidacy;

(b) giving his or her consent to another person to take on behalf of the candidate any of the action in (a) of this subsection; or

(c) announcing publicly or filing a declaration of candidacy with the appropriate elections official,  
file the C-1 registration statement with the commission and his or her county elections office. The statement must declare that the candidate will not exceed the contribution or expenditure limits set out in WAC 390-16-105.

(2) A political committee shall, within fourteen days after its organization or after the date when it first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier, file the

C-1pc registration statement with the commission and with the appropriate county elections office as specified below:

(a) for a political committee, the elections office of the county in which the treasurer resides, unless the treasurer resides out-of-state, in which case the elections office of Thurston County, or

(b) for a continuing political committee, the elections office of the county in which the committee's in-state office or headquarters is located; if there is no in-state office or headquarters, the elections office of the county in which the committee treasurer resides, unless the treasurer resides out-of-state, in which case the elections office of Thurston County.

(3) The statement filed under subsection (2) of this section shall declare that the political committee will not exceed the contribution or expenditure limits set out in WAC 390-16-105.

(4) In addition to complying with subsections (2) and (3) of this section, a continuing political committee shall also file a C-1pc between January 1 and January 31 for each year in which the committee intends to use the mini reporting system. Failure to file a new registration statement during January will automatically terminate the committee's entitlement to use the mini reporting system until such time as a new C-1pc is filed.

~~(5) ((The))~~ A candidate or political committee ~~((must, throughout the ensuing election campaign,))~~ shall keep current records in sufficient detail to allow the candidate or political committee to make reports otherwise required by RCW 42.17.040 through 42.17.090 in the event that the filing of such reports becomes necessary as a result of exceeding the contribution ~~((and))~~ or expenditure limitation~~((;))~~ pursuant to ~~((subsequent permission of the commission))~~ the provisions of WAC 390-16-125.

~~((3))~~ (6) ((The)) A candidate or political committee treasurer shall, during the eight days immediately preceding the date of the election, maintain records of contributions and expenditures current within one business day. These records shall be open for public inspection during the hours designated on the registration statement at the principal campaign headquarters or, if there is no campaign headquarters, at ~~((the))~~ a local address of the campaign treasurer or such other place as may be authorized by the commission.

~~((4))~~ (7) The records of contributions and expenditures shall be ~~((open to))~~ available for audit or examination by representatives of the public disclosure commission at any time upon request from the commission.

## **REPEALER**

**WAC 390-16-120 Mini campaign reporting--Times and place for filing reports C-1 and C-1pc.** (1) The report C-1 or C-1pc shall be filed by any candidate or political committee intending to use the mini reporting recognized and regulated by WAC 390-16-105 or 390-16-115 within fourteen days of becoming a candidate or organizing a committee.

(2) In the case of a continuing political committee, the C-1pc report shall be filed initially within fourteen days after accepting any contributions or making any expenditures. Thereafter, the C-1pc shall be filed each year between January 1 and January 31 for any year in which the committee intends to use the mini reporting system and within ten days of any date a change is made in reportable information. Failure to file a new registration statement during January shall automatically terminate the committee's entitlement to use the mini reporting system until such time as a new C-1pc is filed.

The original of each report required by this section shall be filed with the public disclosure commission. A copy shall be filed with the elections officer of the county in which the candidate or committee treasurer resides and a copy shall be retained by the candidate or committee treasurer.

**AMENDATORY SECTION** (Amending WSR 92-18-002 filed 8/20/92)

WAC 390-16-125 (~~((Abbreviated))~~) **Mini campaign reporting--Exceeding limitations**. Whenever there is reason to believe that any of the (~~((aggregate))~~) limitations specified in WACs 390-16-105(~~(, 390-16-115, or 390-16-120)~~) or 390-16-111 will or may be exceeded, the candidate or committee may apply to the commission for authorization to change reporting options.

(1) If the application is made more than thirty days prior to the date of the election, the application will be considered approved without further action by the commission if the person making application submits:

(a) A PDC form C-1 or C-1pc indicating the intention of using the full reporting system provided by RCW 42.17.040 - 42.17.090;

(b) A PDC form C-3 and form C-4 with appropriate Schedules disclosing all contributions and expenditures reportable under RCW 42.17.090 for the election campaign or in the case of continuing political committees for the calendar year.

(c) A statement affirming that all known candidates for the office being sought have been notified personally of the application stating the manner and date of such notification. In the case of a ballot proposition, the statement shall affirm that the committee treasurer of all committees identifiable from the records of the county elections officer or public disclosure commission to be opposing or supporting the proposition have been notified personally of the application stating the manner and date of such notification.

(2) If the application is made within thirty days of the date of the election, the application shall be approved only by authorization of the commission executive director.

(a) Prior to such approval being granted, the executive director shall determine that the application contains those documents shown in subsection (1)(a), (b) and (c) above.

(b) The commission staff shall investigate why the applicable requirements were not complied with in the first instance and whether or not the probability of exceeding such limitations was reasonably foreseeable. If the investigation shows that the

declaration by the candidate, committee or other person filed under WAC 390-16-115 was made in good faith and that the probability of exceeding such limitations was not reasonably foreseeable, the executive director will approve the reporting option change conditioned upon full future compliance with all applicable requirements of chapter 42.17 RCW.

(3) When one candidate or committee on either side of an election campaign has ~~((applied for permission to exceed the limitations of the exemption))~~ been approved to change reporting options under subsection (1) above, all other candidates and/or committees may change reporting options by meeting the requirements of subsection (1)(a), (b) and (c).

(4) Any person who knowingly or negligently causes or permits the limitations specified in these regulations to be exceeded shall be deemed to have violated the applicable provisions of RCW 42.17.040 - 42.17.090.

### **REPEALER**

**WAC 390-16-155 Mini Campaign Reporting--Exceeding Limitations.** (1) Whenever there is reason to believe that the expenditure limits provided in WAC 390-16-150 will be exceeded or that the candidate or candidate's committee will exceed the limitations on contributions and expenditures provided in WAC 390-16-150, the candidate may apply to the commission for authorization to change to the abbreviated reporting option provided in WAC 390-16-105.

(a) The application shall take the form of a new C-1 report indicating the candidate's or candidate committee's intent to report in accordance with the abbreviated reporting system provided in WAC 390-16-105.

(b) The application shall be accompanied by a statement signed by the candidate affirming that all known candidates for the office being sought have been notified personally of the application stating the manner and date of notification.

(c) The application shall be submitted to the commission and duplicate copies of the C-1 report submitted to the county elections officer of the county where the candidate resides within one day of the time that expenditure limits are exceeded.

(2) The application shall be approved without further commission action.

(3) The candidate shall subsequently comply with the rules for abbreviated campaign finance reporting.

(4) Any candidate desiring to change to the full reporting option will follow the procedures outlined in WAC 390-16-125. (WSR 90-16-083, filed 7/31/90; WSR 89-20-068, filed 10/01/89; Order 86-01, filed 2/5/86; Order 91, filed 5/19/77.)